



DEPARTMENT OF THE ARMY
OFFICE OF THE ASSISTANT SECRETARY
RESEARCH DEVELOPMENT AND ACQUISITION
103 ARMY PENTAGON
WASHINGTON DC 20310-0103

12 JAN 1998

REPLY TO
ATTENTION OF

SARD-2A

MEMORANDUM FOR SEE DISTRIBUTION

SUBJECT: Implementation of Army Strategy for Modernization Through Spares (MTS)

Reference Army Strategy for Modernization Through Spares (enclosed).

Declining procurement budgets are a significant challenge to maintaining a modern warfighting capability. Leveraged use of spares procurement funds is an important strategy to meet this challenge. The strategy, MTS, is an element of the Army's overall acquisition reform endeavor and focuses on the reduction of sustainment costs. Implementation and management of MTS is the responsibility of all managers who develop systems or buy spares (either as parts, components, subassemblies or assemblies) for operational systems.

Effective immediately, Program Executive Officers (PEOs), Major Commands (MACOMs) and the U.S. Army Materiel Command (AMC) Major Subordinate Commands (MSCs) who manage systems in development should begin incorporating MTS strategies into their total life cycle management program activities. Specific actions should be:

a. Post your strategies within 90 days of the date of this memorandum on your homepage and update it with the status of strategy accomplishments.

b. Include your MTS strategy for each system in the Acquisition Strategy Report and reflect it in the Integrated Logistics Support Plan.

Effective immediately, PEOs, MACOMs, and AMC MSCs who manage systems or items in production/support should incorporate MTS strategies as an element of your spares/sustainment acquisitions, for selected candidates. This is a sustainment cost reduction and/or an improved supportability program. Specific actions are:

a. Post your strategy within 90 days of the date of this memorandum on your homepage and update it with the status of strategy accomplishments.

b. Determine strategies and select candidates.


c. Apply MTS initiatives to selected candidates.




An MTS Overarching Integrated Process Team (OIPT) was chartered by the Office of the Acting Assistant Secretary of the Army (Research, Development and Acquisition) and is chaired by the Army Standards Improvement Executive. The MTS OIPT prepared the enclosed guidance document, "Army Strategy For Modernization Through spares" to assist in accomplishing the actions above. The document's purpose is to: explain the intent of the MTS initiative; describe strategy elements; describe steps to define and implement the strategy elements; describe steps to define and implement the strategy; and define success measures. The document is available on the Headquarters, AMC Specifications and Standards Homepage at <http://amc.citi.net/amc/rda/milspec>.

You will be asked to set goals and report progress. Specific guidance and reporting formats will be provided separately and reporting will begin 90 days after this supplemental guidance is received.

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KENNETH J. OSCAR
Acting Assistant Secretary of the Army
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Enclosure